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**DAYLIN LEACH**  
FOR CONGRESS

RECEIVED  
FEDERAL ELECTION  
COMMISSION

MAY 14 PM 4:02

OFFICE OF GENERAL  
COUNSEL

Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

MUR 6811

Re: **Supplemental Material**  
**Matter Under Review – Marjorie 2014, Marjorie Margolies, Jennifer May, and Ken**  
**Smukler, Respondents**

To the Commission:

I am writing to supplement our Complaint filed on April 24, 2014, regarding the Margolies 2014 campaign. The campaign's 12-Day Pre-Primary filing on May 8, 2014, confirms that its deliberate violations of 11 CFR § 102.9(e)(2) have continued, starting with massive expenditures of general election funds on the first day of the reporting period, and persisting throughout the cycle.

Moreover, unlike the campaign's 2014 first-quarter filing, which ended with a last-minute burst of contributions which briefly lifted its overall cash-on-hand figure above its total raised for the primary, every single day reflected in this filing shows the campaign having less overall cash-on-hand than the amount which it has raised for the general election. As of the end of the reporting period, Margolies had \$151,448.76 in overall cash on hand, but had raised \$177,088.92 for the general election.

The blatant, significant, and willful violations of federal campaign finance law are undeniable; the Margolies campaign simply will not have the funds available to refund to its general election contributors should it lose the primary. Somewhere north of \$100,000 of general election funds has been illegally expended to keep the Margolies primary efforts afloat, and all the Margolies campaign has offered publicly is a blanket, fact-free denial of wrongdoing.

In sum, analysis of the campaign's daily cash flow figures during April 2014, as it did during the first quarter FEC filings, demonstrates that on every day reflected in the 12-Day Pre-Primary Report the campaign violated 11 CFR § 102.9(e)(2) by failing to maintain more cash on hand than the sum of general election contributions received less the sum of general election disbursements made.

The records make clear that Margolies 2014 had approximately \$9,095.00 in primary-only funds remaining at the end of the first-quarter filing on March 31, 2014. On April 1, 2014, \$2,000.00 in primary-only funds was raised<sup>1</sup> ... and the campaign nevertheless wrote \$37,150.00 in checks to its

<sup>1</sup> The campaign only raised \$1,167.00 in unitemized funds during the reporting period. Even if attributed to the campaign on the first day of the period *in toto*, it does not affect the analysis.

consultants and others. The remainder of the month fared no better in terms of the campaign's willingness to exist within the legal limits, and third-party reporting of its media expenditures for the remainder of the campaign suggest that this campaign is spending far beyond its actual means.

Under FEC regulations, should Margolies not become a candidate in the general election, her committee must: (1) refund the contributions designated for the general election; (2) redesignate such contributions in accordance with 11 C.F.R. §§ 110.1(b)(5) or 110.2(b)(5); or (3) reattribute such contributions in accordance with 11 C.F.R. §110.1(k)(3). The committee must do so within 60 days of the date that committee has actual notice of the need to obtain redesignations or refund the contributions, such as the date the candidate loses the primary or withdraws from the campaign.

As the attached charts and spreadsheets will demonstrate, the Margolies campaign failed to employ any acceptable accounting method to distinguish between contributions received for the primary election and contributions received for the general election, willfully and repeatedly spending general election funds on its consultants and other primary election expenses during this reporting period as well.

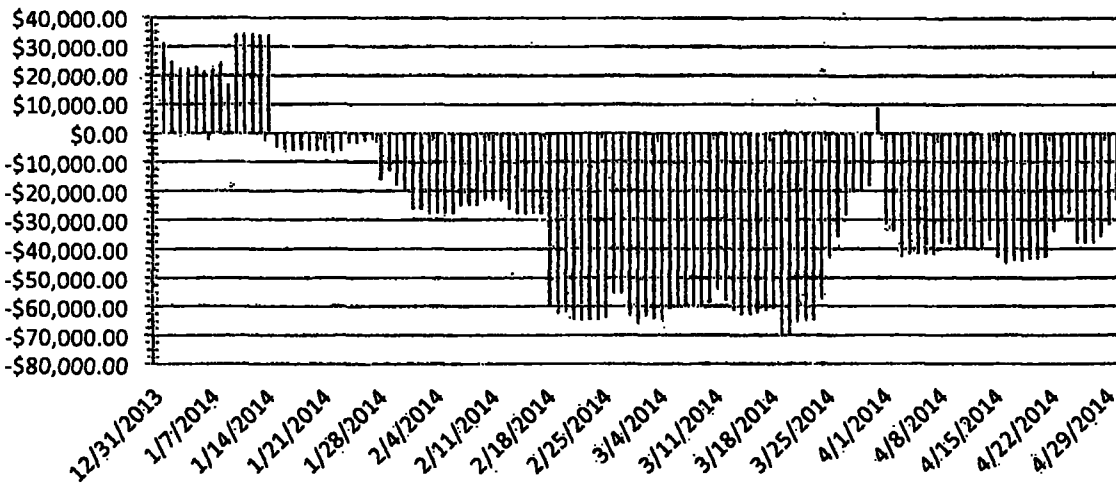
Attached to this complaint is a spreadsheet demonstrating the campaign's daily cash flow for the quarter. It is based on our analysis of the campaign's FEC reports, in order to establish both the starting figures for primary- and general-only funds, as well as cash on hand figures. You will see that we have included additional columns to give the campaign the full benefit of the doubt as to its cash-on-hand figures, treating all unitemized funds received during each reporting period as having been received on the first day of same, so that the campaign could take full advantage of those eligible sums.

We have also made all underlying data publicly available in a series of Google spreadsheets, available online at <http://tinyurl.com/marjoriesmoney>, for the benefit of citizens and the press.

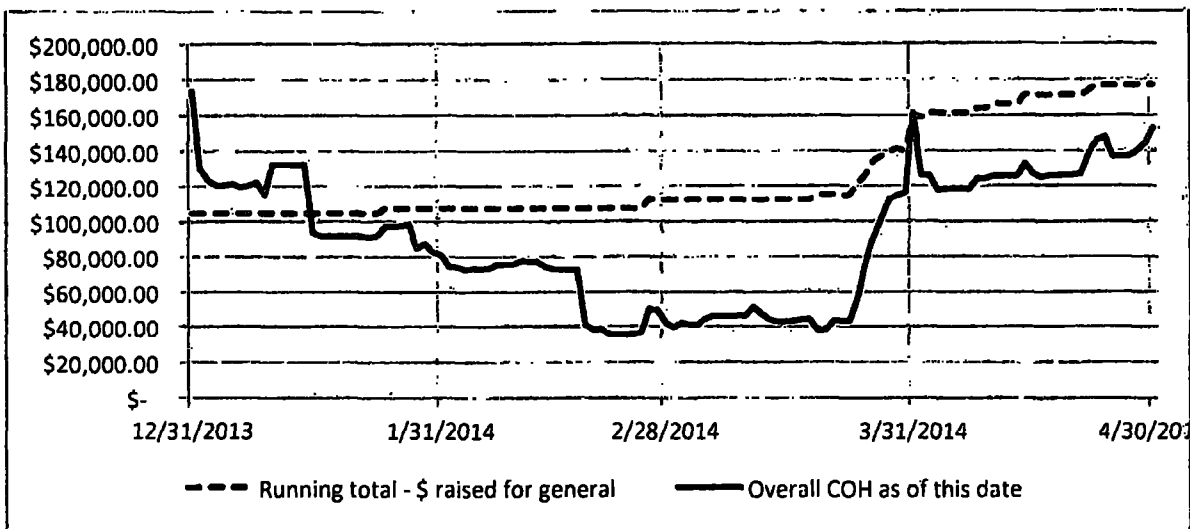
This first chart, derived from that data set, demonstrates just how far into general election funds the Margolies campaign dipped on a daily basis:

UNIDENTIFIED PAGE

### Maximum Theoretical Primary CoH as of this date -- if all unitemized received



The second chart confirms the specific violation of 11 CFR § 102.9(e)(2), by charting how the campaign failed to maintain more cash on hand than the sum of general election contributions received less the sum of general election disbursements made. (The campaign has made no general election disbursements, per its filings):



All the data presented here is derived from the campaign's own filings and public statements; none emanates from personal knowledge.

I again urge the Commission to act with all deliberate speed to prevent future violations of law, to punish the violations which have already occurred, and ensure that all candidates are playing by the same set of rules.

Sincerely,

Senator Daylin Leach

Wayne, PA 19087

1403474140001

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF Montgomery

I, St. Sen. Daylin Leach, residing at \_\_\_\_\_, Pennsylvania, under penalty  
of perjury as defined in 18 Pa. C.S.A. §4904, hereby state that the facts above set forth in the attached  
Complaint as to the Marjorie Margolies, Jennifer May, and Marjorie 2014 are true and correct to the  
best of my knowledge, information and belief.

Signature

Date

Signed and sworn to by

Charlotte Gryn before me  
this 12<sup>th</sup> day of May, 2014

Charlotte Gryn

Notary Public

My Commission expires

9/14/15

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal  
CHARLOTTE GRYN  
City of Cheltenham Twp., Montgomery County  
My Commission Expires Sept. 14, 2015